Montana Newsletter

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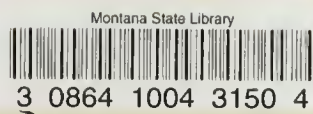
montana community news
from
the department
of community
affairs

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number 6

In the event you didn't manage to follow all of the nearly 1,500 bills introduced in the recent session of the Montana Legislature, you may find yourself wondering just what passed and what does it mean?

Your local legislator may be able to answer many of your questions, but the other source you can check is the Montana Legislative Council. They don't operate their toll-free information line in between sessions, but you can still call 449-3064 during regular state office hours.

Of course, you can also call DCA divisions for questions in their areas. The division telephone numbers are listed on page 8 of this MCN.

DCA
Capitol Station
Helena, MT 59601

april 1979

BARS
Accounting Update

DCA's Local Government Services Division is well underway with the installation of the Uniform Budgetary, Accounting and Reporting System in Montana cities and counties. The installations began in the 1978 fiscal year with Hamilton, Billings and Lincoln County being installed. So far in the 1979 fiscal year, installations of the cities of Polson, Ronan, Wolf Point, Sidney, Deer Lodge and Townsend and Carbon, Big Horn, Jefferson and Chouteau counties have been completed. Installations of Lewis and Clark County and the cities of Helena and Glendive are underway and will be completed by June 30, 1979.

Of the 17 installations to date, Billings, Helena and Lewis and Clark County are computer-based systems. Lincoln, Carbon and Big Horn counties have electronic accounting machines. The rest of the installations are all manual operations and are based on a peg-board and ledger card processing mode.

No processing mode is recommended or emphasized by DCA over the others. That selection is the choice of the local government. DCA will try to accomodate the local government's choice and has worked with computer hardware and software vendors to develop systems that are compatible with BARS.

Response to the BARS system from the local governments that have installed it has been very positive. Several elected officials have commented on increased informational value of the financial reporting. Accounting personnel have commented that they are more comfortable with the new system because it is an integrated system instead of a group of separate, unrelated operations as the old system was. Most sites relate that the new system, while providing additional information and being in accordance with generally accepted accounting principles, has streamlined their operation and saves time.

The installation plan for the 1980 fiscal year includes the cities of Scobey, Missoula, Kalispell, Havre, Shelby, White Sulphur Springs and Big Timber and Lake, Ravalli, Roosevelt, Pondera, Broadwater, Sheridan, Hill and Glacier counties. The plan is based on requests from those local governments to have the BARS system installed. Other interested local governments are asked to contact the Local Government Services Division.

In May a workshop will be held for the cities and counties already installed and those to be installed next year. There will be a session for those who are already on the system to discuss refinements and special problems. A session for those who are to be installed next year will discuss the chart of accounts. A joint session will concentrate on budgeting and the annual report and allow an interchange between the two groups. Information on the time, location and other specifics of this workshop will follow later.

Those interested in this workshop or in receiving the BARS system are asked to call or write the Local Government Services Division at 449-3010 or DCA Local Government Services Division, Capitol Station, Helena, Montana 59601.

Airfreight
Service Grows

Combs Freightair, a division of Combs Airways, has begun all cargo airline certificated overnight airfreight service between Denver, Casper, Wyoming and Billings, Montana.

Operating five days per week, Combs provides pickup and delivery and guarantees overnight delivery to and from these cities as well as interline connection with major airlines. The present schedule calls for a 9:00 p.m. Denver departure with a stop in Casper and turnaround in Billings, returning through Casper and arriving in Denver by 6:15 a.m. the following morning. Arrangements for the service can be made in each city through Combs agents and a toll free WATS number is available for all inquiries outside of Colorado (1-800-525-1348). The three-city service begins an overnight freight network that will reach from Chicago to Los Angeles and San Francisco by 1980.

Combs has acquired eight Convair 440 aircraft that have been modified to a freight configuration and can carry most standard air freight containers. Shipments of up to 250 pounds can be shipped without prior notification.

WHAT CAN COMPUTERS DO FOR ME? PART 2

The following is the second in a series of articles reprinted from a 1977 paper, **A Computer Procurement Overview for Montana Local Governments** by James Rizza, DCA Local Government Services Division. These articles are not intended to promote computerization, but rather to present some fundamental considerations for those local government units interested in examining whether or not they might benefit from the use of a computer system.

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How do you find out if your organization has some *good* reasons to computerize? Review your most common, time consuming jobs. Break each job down into detailed tasks. Then ask yourself the following questions about each task:

—Does the task require involved computation or logical testing?

—Is it a frequent, repetitive task (especially involving a high volume of transactions)?

—Is the current manual or semi-automated (calculator, accounting machine, etc.) method too slow and/or too inaccurate?

If you can answer "yes" to any of these questions for a particular task, that task is a good candidate for computerization.

Following is a list of functions that are commonly computerized in local government. Consider the tasks required for each for your organization according to the above three questions:

—Payroll/Personnel
—General Ledger
—Budgeting (Appropriations/Expenditures)
—Police/Fire Records
—Fixed Asset Accounting
—Tax Billing
—Land Use Information
—Utility Billing
—Treasury

If you can identify a significant number of tasks in these functions that fit the criteria outlined above, you should take a serious look at what a computer system might do to help your local government.

Negotiating and Contracting Guidelines

Preliminaries

Once you have decided to buy, and roughly how much to buy, a number of questions present themselves:

—Who will define the details of what is to be done?
—Who will set the priorities?
—How long should we take to search?
—Can we learn from another local government's system setup?
—Where does the money come from?
—When is the best time to begin?

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Answers to these questions will likely differ from organization to organization. But here are some general guidelines that you might start with.

Begin with a plan. It would be most unwise to approach a vendor before you have carefully laid out a comprehensive plan for the computer's use. To obtain a good plan, you will need to form a team that is representative of your entire organization. Do not leave any group, special interest or department out. Have department heads gather information from everyone in their departments. Involve all employees as directly as possible; keep everyone informed. Avoid allowing a computer specialist to dominate your planning and do not give control of planning to one department. It is a good idea to obtain early outside assistance in the form of a legal specialist and a computer specialist. They can be very cost-justifiable. Appoint a team leader from your organization.

When your team is formed, review all the tasks you've decided are appropriate for computerization. Develop a set of priorities, keep them confidential until negotiations have begun, and then be ready to demand their inclusion in the contract. It is important to remember that ". . . in good negotiations, everyone wins." Be prepared.

The amount of time it will take to find the system you want can vary greatly. But you should count on several weeks; in many cases, even months.

Visiting other local governments that have obtained computer systems can be very useful. It is wise to also include visits to local businesses with computers. Many can provide valuable advice.

LEGISLATIVE UPDATE:

The following is a brief summary of the major legislation of interest to communities passed by the 46th Legislature. Some of the bills described below have been transmitted to Governor Judge but have not been acted upon as of the preparation of this report. The Governor has 25 days following the session to take action on bills (until May 21st). For information regarding the status of the bills sent to the Governor contact Joyce Andrus in the Governor's Office at 449-3111. For more detailed information about any of the bills contact the Clerk and Recorder's Office in your county, where copies of all enacted legislation are on file. All bills are effective on July 1, 1979 unless otherwise in the legislation.

HOUSE OF REPRESENTATIVES

HB 61 - Waldron - provides that any law which requires a local government to perform an activity or provide a service or facility must provide a specific means of financing. Signed by Governor.

HB 63 - Dassinger - Increases tax on non-aviation gasoline and diesel fuel by one cent. $1.2 million of anticipated revenue allocated as match for federal interstate highway construction funds, $3.2 million for Highway Patrol, and $2 million for local governments, apportioned 65% to municipalities and 35% to counties. Sent to Governor.

HB 84 - Lory (Interim Subcommittee on Subdivision Laws) - directs county clerk and recorder to notify governing body of the use of exemptions from local subdivision review. Sent to Governor.

HB 112 - Ellis - Mandates the development of a plan to improve the delivery of human services by providing one-stop service for public assistance. Signed by Governor.

HB 124 - Oberg - authorizes the Department of Community Affairs to transfer weatherization funds among the Governor's substate planning districts and alters the formula by which weatherization funds are allocated; requires that weatherization plans be submitted to local governments in the district for review before approval by the Department. Signed by Governor.

HB 365 - Kessler - streamlines annexation by petition by eliminating the required election if more than 50% of the homeowners in an area petition to be annexed. Sent to Governor.

HB 366 - Kessler - streamlines annexation by providing five methods of annexation. Sent to Governor.

HB 391 - Hemstad - modifies qualifications of members of city-county planning boards. Signed by Governor.

HB 704 - Fagg - clarifies the allocation of state funds for public transportation, authorizes urban transportation districts as eligible recipients, and revises the allocation formula. Signed by Governor.

HB 845 - Ramirez - allows Montana Board of Aeronautics to exercise the power and authority of a municipality for the purpose of issuing bonds for projects suitable for use by commercial enterprises providing scheduled air transportation primarily within Montana.   Sent to Governor.

HB 851 - Spilker - provides procedures for alteration of existing forms of local government.   Sent to Governor.

SENATE
SB 182 - Thiessen - allocates yearly increases in the oil and gas severance tax collected in each county to the local governments in the county from which the tax was collected.   Sent to Governor.

SB 234 - McCallum - allows a county to exceed a maximum mill limit by a vote of the electors.   Requires a specific purpose and must be voted on in the primary election every two years.   Sent to Governor.

SB 250 - Turnage - provides that a notice of buyer's interest in any real property may be recorded with the county clerk and recorder; also requires the clerk and recorder, in a case where the instrument of conveyance underlying the notice of buyer's interest would itself be unrecordable, to so notify the buyer and inform him that the conveyance may be void.   Sent to Governor.

SB 264 - Boylan - provides that the county governing body may adopt an ordinance to license, control and dispose of dogs.   Signed by Governor.

SB 268 - Lowe - authorizes the sale and issuance of bonds by a political sub-division in anticipation of the receipt of a federal or state grant or loan for any purpose authorized by law.   Signed by Governor.

SB 306 - McCallum - clarifies percentage limits on local government indebtedness. Sent to Governor.

SB 347 - Towe - further defines the criteria for awarding coal impact grants by directing the Coal Board to consider mill levies and bonded indebtedness to determine the degree of local effort; if mill levies for the present fiscal year are lower than the average levied for the three years immediately preceding coal development the Board may reject an application for assistance.   Sent to Governor.

SB 358 - Regan - authorizes counties to impose up to a 2 cent per gallon motor fuels excise tax for streets and roads; revenue is divided between the county and the municipalities in the county according to the proportion of registered motor vehicles in each jurisdiction.   Sent to Governor.

SB 412 - McCallum - waives park dedication and cash in lieu requirements for any division of land which creates only one additional lot.   Sent to Governor.

Carter Releases Federal Reorganization Plan

President Carter recently sent his recommendations for federal executive reorganization to Congress. The most sweeping change he recommended would strip both the National Oceanic and Atmospheric Administration from the Dept. of Commerce and the Forest Service from the Dept. of Agriculture and add them to the Dept. of the Interior to create a new Dept. of Natural Resources.

The enlarged department would stop short of the natural resources "super-agency" by some presidential advisors last year. Carter's plan would not include the Army Corps of Engineers, the Environmental Protection Agency nor the Soil Conservation Service in the new department.

Carter also rejected a proposal to blend the Dept. of Housing and Urban Development, parts of the Economic Development Administration and of the Department of Agriculture to form a new Dept. of Development Assistance. Instead, Carter will propose maintaining most of the existing structure and transfer only some programs to the Dept. of Commerce's Economic Development Administration. EDA would take over $1.1 billion authority from the Farmers Home Administration for business and industry loans and loan guarantees, plus $95 million authority from the Small Business Administration for business loans.
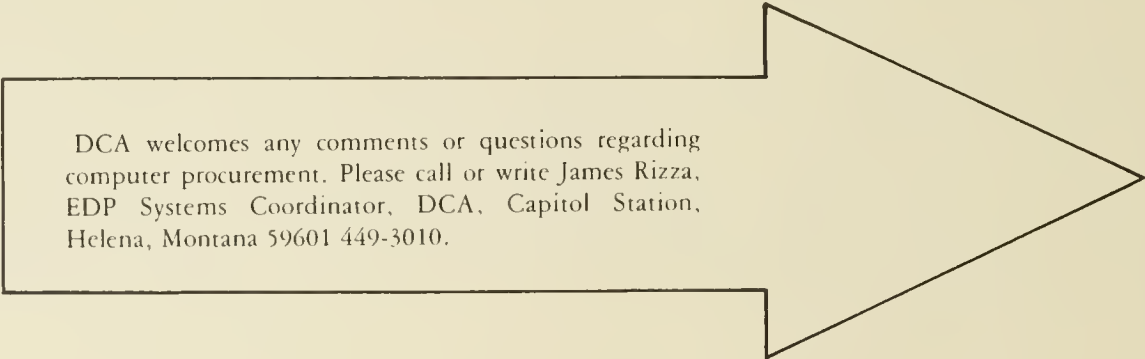
Carter also recommended boosting the budgets for the present EDA grant program and for the HUD Urban Development Action Grant (UDAG) program by $275 million each.

Carter will send the Natural Resources Dept. proposal to Congress as an executive order, which will take effect in 60 days unless either house vetoes it. The EDA proposal will be submitted as a bill to Congress, requiring approval by both houses before becoming law.

Regulation Reform

In another move aimed at cutting red tape and streamlining the federal bureaucracy, President Carter unveiled his Regulatory Reform Act of 1979. The bill would, if passed by Congress, require all federal regulatory agencies to study the costs and benefits of major new rules they propose, and look at alternatives to those rules. The requirement would hold for rules that would have an annual impact of $100 million or more.

Carter's bill would also mandate a review of existing legislation every ten years. His reform proposal is said to be similar to S262, a reform bill already introduced by Senator Abraham Ribicoff.

DCA welcomes any comments or questions regarding computer procurement. Please call or write James Rizza, EDP Systems Coordinator, DCA, Capitol Station, Helena, Montana 59601 449-3010.

COMPUTERS CONTINUE

Do not overlook the possibility of obtaining a grant for purchasing your computer system. At the federal level you may qualify for a discretionary grant or a Department of Housing and Urban Development grant. You can use the Federal Assistance Program Retrieval System (F.A.P.R.S.) in Bozeman to help determine if you qualify. Contact your local County Extension Office and request a F.A.P.R.S. code sheet. It will forward detailed instructions.

Also, the Montana State Department of Revenue will support a portion of those systems in county governments that provide useful information for the State's use. Contact the Mass Appraisal Bureau Chief, Department of Revenue, Mitchell Building, Helena, Montana 59601.

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As for timing, there really is no best time to begin. However, if, in your particular case, the environment will be more conducive to change at one particular time than another, you may work that to your computer project's advantage.

Finally, make effective use of the request for proposal (RFP) in your search. Be sure later to include your RFP and the vendor's response in the contract.

Getting Down to Business

When your team has completed the shopping list preliminaries and chosen a system for purchase, the contract should become the focus for all negotiating. You need to think "contract" from the very beginning. As a rule of thumb in dealing with a vendor, it is wise to constantly bear in mind, "If it can't be written into the contract, don't tell me about it." Most vendors are quite reputable. So why worry about oral representations? Because . . . conditions and commitments very frequently change over time. Therefore the easiest, best way to (legally) avoid problems is to write a good contract. If it is not in the contract, it is not legally part of the deal.

Following is a list of basic contract objectives:
1. Protection. (Yours!)
2. A clear documentation of commitments.
3. Establish responsibility.
4. Insure clear technical and legal information.
5. Establish quantitative measures of performance.
6. Alert and help management understand the sophistication and complexity of the process.
7. Bring vendors down to earth.
8. Provide recourse and remedies.

The standard form contract drafted by the vendor provides maximum protection for the vendor, minimum protection for the buyer. It is strongly recommended you do not sign it.

Some Other Related Considerations

Avoid developing personal relationships with the vendor. Conduct business in a business setting, not in a comfortable restaurant over food and drinks.

Know your vendor. Investigate its reputation in past performances. Check with other users. The vendor should be happy to provide you with a list of their users. Visit them on your own.

Determine your vendor's acceptability level on all the major points of negotiation. Be willing to break negotiations to achieve an important goal.

The purchase of a computer system is an important decision. It is up to you to be certain of what you are getting.

Above all, buyer beware!

How Much Computing Power Do You Need?

The process of converting the work you want done into computer characteristics is a difficult one. Probably the best approach is to involve an independent computer specialist to help you when you reach this point. This is important because your selection criteria for a computing system must be expressed in computer terms. Bear in mind, however, that you should still be at the helm in the selection process. Wise selection of a computer system is based on a thorough understanding of the tasks to be computerized. A computer professional should only serve you as a kind of translator.

A computer specialist can help you express your requirements in terms of fundamental system elements. They will form the basis for your selection. These system elements may include:
— Central Processing Unit
— Memory
— Input/Output Structure and Channels
— Interrupt System
— Direct access storage devices—disks—printer, terminal, other input or output devices, etc.
— Software (resident and application programs)

It is very important to also include manufacturer reputation in your selection criteria. Reliability, service support, system documentation and training aid are a few considerations to keep in mind.

Montana Local Government

The average Montana local government unit that perceives a need for some computer capability will probably turn toward the mini-computer as the most practical alternative. If you should determine that your expenditure must be moderate, the process must operate unattended, and the population you serve is under 50,000, the minicomputer class machine will most likely satisfy your needs.

COMPUTERS: CONCLUSION

What is a Minicomputer?

Electronic data processing machines range from electronic calculators to large main-frame computers. Here is a breakdown organized in order of increasing computing capacity and capability:
— Electronic calculators
— Microprocessors
— Accounting computers
— *Minicomputers*
— Large main frame computers

There is no universally accepted definition for minicomputers. The technology is changing too quickly for us to pin down the specific, relevant attributes. However, we can identify some general characteristics commonly associated with the minicomputer. Some of these are:

1. General Purpose

The minicomputer can be programmed to handle any standard, local government application. This distinguishes it from the accounting computers common in Montana local government. It is, therefore, frequently more cost-justifiable and practical. The mini can do every type of job its big brother main-frame computer can.

2. Moderate Cost

The minicomputer stands out in the field due to its excellent cost/performance ratio. Typical mini systems range in price from $25,000 to $120,000 (compared to $2 million for an average main frame).

3. Physical Size

The typical minicomputer is a small, compact unit. It will not quite fit on your desk, but it does not require its own section of the building, either. Also, minis do not require special temperature and humidity control or built-up floors and special electrical wiring.

4. Other Distinguishing Characteristics

Memory, word size and instruction sets are usually smaller and/or simpler. There frequently (though not in every case) is not much software support from the manufacturers in comparison to what is offered for the large main frame systems.

Minicomputers are most frequently used as "stand alone" systems in local governments. That is, a central processing unit, input device (usually a cathode ray tube terminal), output device (printer) and some secondary storage (usually disk) are implemented as an autonomous system. This system is given no communication capability with other systems.

This arrangement, however, while the most common, may not be the most effective, efficient use of existing minicomputer technology. A relatively new concept called "distributed data processing" is emerging as a very efficient, often cost-beneficial use of computing resources. The scope of this paper does not permit a detailed explanation of distributed data processing. Suffice to say that it is a methodology for connecting multiple data processing devices via telecommunication (telephone) lines to form a processing network tailored to the particular needs of the network users. This approach can make excellent use of computer resources. It should be seriously considered in areas where computer power is limited at any one location and where multiple locations have similar data processing needs.

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